

The Court thanks the parties for the update. The Court will dismiss the Committee Appeal by separate order forthwith. IT IS HEREBY ORDERED that the Customer Appeal (23-cv-3144) and the Rule 60 Appeal (23-cv-05570) are STAYED until the earlier of October 31, 2023, or the confirmation of the Plan. No later than **October 31, 2023**, the remaining parties shall file a joint status report with the Court.

July 27, 2023

VIA ECF

Hon. Jennifer Rochon
United States District Judge
United States District Court
Southern District of New York
500 Pearl St., Courtroom 20B
New York, NY 10007-1312

Dated: July 28, 2023
New York, New York

SO ORDERED.


JENNIFER L. ROCHON
United States District Judge

Re: In re Celsius Network LLC, No. 23-CV-02882-JLR (S.D.N.Y.)

Dear Judge Rochon:

We submit this joint status report on behalf of the Official Committee of Unsecured Creditors (the “**Committee**”); Immanuel Herrmann and Daniel Frishberg (the “**Customer-Appellants**”); and Community First Partners, LLC, Celsius SPV Investors, LP, Celsius New SPV Investors, LP, and CDP Investissements Inc. (the “**Series B Preferred Holders**”), with respect to the following related and consolidated appeals:

1. *Official Committee of Unsecured Creditors v. Celsius SPV Investors, LP, et al.*, No. 23-CV-02882-JLR (S.D.N.Y.) (the “**Committee Appeal**”);
2. *Herrmann & Frishberg v. Celsius SPV Investors, LP, et al.*, No. 23-CV-03144-JLR (S.D.N.Y.) (the “**Customer Appeal**”); and
3. *Herrmann & Frishberg v. Celsius SPV Investors, LP, et al.*, No. 23-CV-05570-JLR (S.D.N.Y.) (the “**Rule 60 Appeal**”).

As the Court is aware, on June 27, 2023, the Committee, the Series B Preferred Holders, and Celsius Network LLC and its affiliated debtors in the chapter 11 cases from which these appeals arise (the “**Debtors**”) filed a joint motion in the Bankruptcy Court seeking approval of a settlement between the Debtors, the Committee, and the Series B Preferred Holders (the “**Series B Settlement**”). See Docket No. 17, Ex. A.¹ Pursuant to the Series B Settlement, the Committee and the Series B Preferred Holders agreed that upon the Bankruptcy Court’s approval of the Series B Settlement to jointly stipulate for the dismissal of the Committee Appeal with prejudice. On July 20, 2023, the Bankruptcy Court entered its *Order (I) Approving the Settlement By and Among the Debtors, the Committee, and the Consenting Series B Preferred Holders and (II) Granting*

¹ “Docket No.” refers to the docket in the Committee Appeal. “Bankr. Docket No.” refers to the docket in *In re Celsius Network LLC, et al.*, Case No. 22-10964 (Bankr. S.D.N.Y.).

Related Relief [Bankr. Docket No. 3058], attached hereto as **Exhibit A**, and on July 24, 2023, the Bankruptcy Court entered its *Memorandum Opinion Approving the Settlement Among the Debtors, the Committee, and the Initial Consenting Series B Preferred Holders* [Bankr. Docket No. 3074], attached hereto as **Exhibit B**. On July 26, 2023, the Committee and the Series B Preferred Holders jointly stipulated for the dismissal with prejudice of the Committee Appeal. *See* Docket Nos. 31-32. Although the Committee Appeal is consolidated with the Customer Appeal and the Rule 60 Appeal for administrative purposes as related appeals, only the Committee and Series B Preferred Holders are parties to the Committee Appeal. Accordingly, the Committee and Series B Preferred Holders respectfully request that the Court enter an order approving the joint stipulation and dismissing the Committee Appeal with prejudice.

In addition, following a mediation during the week of July 17, the Debtors and the Committee reached a global settlement with the Customer-Appellants (the “**Customer-Appellants Settlement**”). The terms of the Customer-Appellants Settlement are described in a joint settlement motion submitted to the Bankruptcy Court on July 20, 2023, and attached hereto as **Exhibit C**. Pursuant to the Customer-Appellants Settlement, the Customer-Appellants agreed to stay all deadlines in the Customer and Rule 60 Appeals pending confirmation of a plan of reorganization consistent with the Customer-Appellants Settlement. *See* Ex. C at ECF pg. 42. Thereafter, and upon the effectiveness of a plan of reorganization incorporating the terms of the Customer-Appellants Settlement, the Customer-Appellants shall voluntarily dismiss the Customer Appeal and Rule 60 Appeal with prejudice. *Id.* The parties are working toward confirmation of that plan by the end of October 2023. Accordingly, the Customer-Appellants and the Series B Preferred Holders respectfully request that the Court hold the Customer Appeal and Rule 60 Appeal in abeyance until October 31, 2023.

The parties thank the Court for its attention to this matter.

[Signature pages follow.]

Respectfully submitted,

THE COMMITTEE
White & Case LLP

/s/ Samuel P. Hershey

David M. Turetsky
Samuel P. Hershey
Joshua D. Weedman
1221 Avenue of the Americas
New York, New York 10020
Telephone: (212) 819-8200
Facsimile: (212) 354-8113
Email: david.turetsky@whitecase.com
sam.hershey@whitecase.com
jweedman@whitecase.com

Michael C. Andolina
Gregory F. Pesce
111 South Wacker Drive, Suite 5100
Chicago, Illinois 60606
Telephone: (312) 881-5400
Facsimile: (312) 881-5450
Email: mandolina@whitecase.com
gregory.pesce@whitecase.com

Keith H. Wofford
Southeast Financial Center, Suite 4900
200 South Biscayne Blvd.
Miami, Florida 33131
Telephone: (305) 371-2700
Facsimile: (305) 358-5744
Email: kwofford@whitecase.com

Aaron E. Colodny
555 South Flower Street, Suite 2700
Los Angeles, California 90071
Telephone: (213) 620-7700
Facsimile: (213) 452-2329
Email: aaron.colodny@whitecase.com

*Counsel to the Appellant Official Committee
of Unsecured Creditors*

SERIES B PREFERRED HOLDERS
Milbank LLP

/s/ Melanie Westover Yanez

Dennis F. Dunne
Nelly Almeida
55 Hudson Yards
New York, NY 10001
Telephone: (212) 530-5000
Facsimile: (212) 660-5219
Email: ddunne@milbank.com
nalmeida@milbank.com

Andrew M. Leblanc
Melanie Westover Yanez
1850 K Street, NW, Suite 1100
Washington, DC 20006
Telephone: (202) 835-7500
Facsimile: (202) 263-7586
Email: aleblanc@milbank.com
mwyanez@milbank.com

*Counsel to Appellees Community First
Partners, LLC, Celsius SPV Investors, LP,
and Celsius New SPV Investors, LP*

– and –

Jones Day

/s/ Joshua M. Mester

Joshua M. Mester (*pro hac vice* application
pending)
555 South Flower Street
Fiftieth Floor
Los Angeles, CA 90071
Telephone: (213) 489-3939
Facsimile: (213) 243-2539
Email: jmester@jonesday.com

Counsel to Appellee CDP Investissements Inc.

IMMANUEL J. HERRMANN

/s/ Immanuel J. Herrmann

Immanuel J. Herrmann

Pro Se Customer-Appellant

DANIEL A. FRISHBERG

/s/ Daniel A. Frishberg

Daniel A. Frishberg

Pro Se Customer-Appellant